## IN THE CLAIMS:

Please cancel claims 1-7, 12 and 19 and amend the remaining claims as follows:

- 1-7. (Canceled).
- 8. (Currently Amended) A method of allocating resources among competing demands in a linear programming production planning system, said method comprising: classifying said demands into fair share sets, wherein all demands within each fair share set have the same priority;

calculating the cumulative demand for each resource within each fair share set; and

allocating said resources to said fair share sets in order of fair share set priority, wherein, if during said allocating process the supply of a given resource cannot satisfy a given cumulative demand of a given fair share set, said given resource is allocated proportionally among all demands that contribute to said given cumulative demand within said given fair share set[[,]], and

wherein said allocating process encourages proportional sharing by imposing penalties for non-proportional sharing.

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- (Currently Amended) The method in claim 8, all the limitations of which are incorporated herein by reference, wherein said process of calculating cumulative demand is time period dependent.
- 10. (Currently Amended) The method in claim 8, all the limitations of which are incorporated herein by reference, wherein said classifying process considers demand family hierarchy relationships.
- 11. (Currently Amended) The method in claim 8, all the limitations of which are incorporated herein by reference, wherein said allocating process comprises a linear program that simultaneously allocates multiple resources to multiple demands.
- 12. (Canceled).
- 13. (Currently Amended) The method in claim 8, all the limitations of which are incorporated herein by reference, wherein said fair share sets identify parts, priority level, locations, and timing information.
- 14. (Currently Amended) The method in claim [[1]] <u>8, all the limitations of which are incorporated herein by reference,</u> wherein during said allocating process, higher priority fair share sets are fully satisfied with a resource before lower priority fair share sets receive any of said resource.

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15. (Currently Amended) A program storage device readable by machine, tangibly embodying a program of instructions executable by the machine to perform a method of allocating resources among competing demands in a linear programming production planning system, said method comprising:

classifying said demands into fair share sets, wherein all demands within each fair share set have the same priority;

calculating the cumulative demand for each resource within each fair share set; and

allocating said resources to said fair share sets in order of fair share set priority, wherein, if during said allocating process the supply of a given resource cannot satisfy a given cumulative demand of a given fair share set, said given resource is allocated proportionally among all demands that contribute to said given cumulative demand within said given fair share set[[.]], and

wherein said allocating process encourages proportional sharing by imposing penalties for non-proportional sharing.

16. (Currently Amended) The program storage device in claim 15, <u>all the limitations</u> of which are incorporated herein by reference, wherein said process of calculating cumulative demand is time period dependent.

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- 17. (Currently Amended) The program storage device in claim 15, <u>all the limitations of which are incorporated herein by reference</u>, wherein said classifying process considers demand family hierarchy relationships.
- 18. (Currently Amended) The program storage device in claim 15, <u>all the limitations</u> of which are incorporated herein by reference, wherein said allocating process comprises a linear program that simultaneously allocates multiple resources to multiple demands.
- 19. (Canceled).
- 20. (Currently Amended) The program storage device in claim 15, <u>all the limitations</u> of which are incorporated herein by reference, wherein said fair share sets identify parts, priority level, locations, and timing information.

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